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Required Report - public distribution

Date: 11/22/2016

GAIN Report Number: TH6140

Thailand

Rice Price - Weekly

Weekly Rice Price Update

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Report Highlights:

Export prices rebounded to pre-harvest levels. Also, the cabinet approved the expansion of the pledging program to include all MY2016/17 main-crop rice varieties.

Post:
Bangkok

Market Tone

Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending November 21, 2016									
Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR	PRV
F WR 100 B	565	-	-	570	600	570	-	576	540
WR 100 B	360	-	385	365	375	365	385	373	362
PB 100%	355	-	385	360	367	358	380	368	362
PB 5%	350	-	380	355	362	353	375	363	357
WR 5%	350	-	375	350	360	355	370	360	350
WR 10%	348	-	-	-	-	352	-	350	337
WR 15%	346	-	-	-	-	350	-	348	336
WR 25%	342	-	-	-	-	346	-	344	334
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	-	-	-	-	-	-	-	-	-
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 35.3 baht/USD

Source: Average actual prices received from exporters

Export prices were volatile this week. While new inquiries remain weak, export prices increased 2-7 percent from the previous week bringing export prices in line with domestic prices. Price quotations increased by approximately 40 USD/MT for fragrant rice and 10 USD/MT for white rice. This rebound brought export prices to levels last seen in late October 2016. The correction in export prices suggests that trader forecasts of MY2016/17 main-crop rice production were overly optimistic.

On November 22, 2016 the government decided to extend the On-Farm Paddy Pledging Program to include glutinous rice. The government had previously approved pledging programs for fragrant rice, white rice, and Pathumthani fragrant rice on November 1 and 8, 2016. The intervention price for glutinous rice paddy was set at 9,500 baht per metric ton (269 USD/MT) which is around 90 percent of current market prices of 10,560 baht per metric ton (299 USD/MT). Additionally, farmers participating in the pledging program will receive a subsidy on storage costs of 1,500 baht per metric ton (42 USD/MT) as well as a direct payment of 2,000 baht per metric ton (57 USD/MT) for certain harvest and postharvest handling costs (a maximum of 12,000 baht (340 USD) per farm household). In total, participating farmers will receive 13,000 baht per metric ton (368 USD/MT) for glutinous rice paddy. The program's target is set at 2 million metric tons of combined glutinous and fragrant rice paddy. Meanwhile, farmers who do not participate in the pledging program will still be eligible for a direct payment of 2,000 baht per metric ton (57 USD/MT) for certain harvest and postharvest handling costs.

Rice Export Update

Unofficial preliminary rice exports (excluding premium white and fragrant rice) for November 14-20, 2016 totaled 83,997 metric tons, down 14,121 metric tons from the previous week and down 26,493 metric tons from the four-week moving average of 110,490 metric tons (Table 2). Rice exports from January 1 – November 20, 2016 totaled 3,764,132 metric tons, down 2 percent from the same period last year.

Table 2: Weekly Rice Exports (excluding fragrant rice)					
WEEK ENDING	QUANTITY	4WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 2	116,935	116,112	2,925	3,285	-11.0
Oct 9	109,805	117,236	3,035	3,373	-10.0
Oct 16	134,634	120,060	3,170	3,486	-9.1
Oct 23	153,010	128,596	3,322	3,580	-7.2
Oct 30	131,273	132,180	3,473	3,679	-5.6
Nov 6	128,572	136,872	3,582	3,724	-3.8
Nov 13	98,118	127,743	3,680	3,774	-2.5
Nov 20	83,997	110,490	3,764	3,822	-1.5

Note on data: Export figures since March 22, 2002, do not include fragrant rice. In addition, starting May 1, 2013, the data will not include 100% - 25% grade white rice exports as the reporting authority was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice and white rice (100%-25% grades) export data. FAS/BKK will report only official export numbers available from the Board of Trade of Thailand. The reader should bear in mind these differences when comparing with historical data.

Source: Board of Trade of Thailand